

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet
AUTHOR: Development Services Director

9 June 2005

EXAMPLE OF COMMUTED SUMS FOR AFFORDABLE HOUSING

Purpose

1. To provide information, by way of example, on the possible acceptance of commuted sums in lieu of the provision of land for affordable housing development.

Effect on Corporate Objectives

2.	Quality, Accessible Services	To provide additional affordable housing
	Village Life	To provide a variety of affordable housing options
	Sustainability	To provide funding for additional affordable housing
	Partnership	Working with Housing Association partners and developers to provide an acceptable alternative to the provision of affordable housing land in certain restricted circumstances. The money realised from commuted payments will be used to fund affordable housing with our housing association partners.

Background

3. This report follows on from the report presented to the Cabinet meeting on 10 March 2005 which detailed specific circumstances under which commuted sums could be considered as an alternative to the provision of land for affordable housing under section 106 agreements.
4. Members requested specific examples of cases involving commuted sums and details of two cases are attached for consideration (**Appendix 1 and 2**).
5. The first example relates to the proposed conversion of former barns to residential use, which is a situation highlighted in the earlier report as being particularly suitable for the acceptance of commuted sums.
6. The second is a proposal for two detached houses on an in-fill site where the applicant does not wish to meet the on site provision but has offered to pay a commuted sum instead.

Considerations

7. As highlighted in the report of 10 March 2005

Options

8. As detailed in the earlier report.

Financial Implications

9. A number of affordable housing schemes are unable to attract grant funding through the Housing Corporation. The acceptance of commuted payments, in certain specific circumstances, would allow the Council to financially support some of these schemes.
10. The amount of commuted sum, which the Council would be prepared to accept, will vary considerably from site to site but will be calculated using the document attached to the report of 10 March.

Legal Implications

11. None.

Staffing Implications

12. None.

Risk Management Implications

13. None.

Consultations

14. In addition to the consultation detailed in the earlier report housing association partners have also been consulted and agree that there are certain circumstances in which the requirement for on-site provision brings forward sites which are difficult and expensive to develop for affordable housing.

Conclusions/Summary

15. The attached examples, together with the report of 10 March, illustrate how the acceptance of commuted sums, in certain discretionary circumstances determined by the Council, can assist with the provision of affordable housing.

Recommendation

16. The acceptance of commuted sums, at the Council's discretion, should be adopted as Council practice.

Background Papers: the following background papers were used in the preparation of this report:

Report to Leader and Cabinet 10 March 2005

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